

City of Alexandria, Virginia
FY 2026 Proposed Operating Budget & CIP
Budget Questions & Answers

March 26, 2025

Question:

What is the cost to align the City Supplemental Retirement plan with the Virginia Retirement System plan for deputy sheriffs, medics, and fire marshals?

Response:

In 2019, the City Council passed a resolution that added the Enhanced Hazardous Duty Benefit (without supplement) for the City's Deputy Sheriffs under the Virginia Retirement System (VRS). This change became effective in January 2020. At the time, the City also considered modifying the City of Alexandria's Supplemental Retirement Plan provisions for deputy sheriffs, medics, and fire marshals to have the same age and service eligibility retirement as the Enhanced Hazardous Duty plan under VRS. However, due to the cost of the proposed plan change, the City did not make any changes to the Supplemental Retirement Plan at that time. Note, the change to VRS only impacted deputy sheriffs and did not change any provisions for medics and fire marshals.

In FY 2024, the Sheriff asked the City to update the actuarial study to calculate the current cost of aligning the City's Supplemental Retirement Plan retirement eligibility with the retirement eligibility for deputy sheriffs under the VRS Enhanced Hazardous Duty Plan.

The City requested the plan's actuary, Cheiron, to update the study previously completed in 2018. The actuarial study was completed in August 2024 and the following changes for deputy sheriffs, medics, and fire marshals were studied:

- **Normal Retirement:** improve eligibility from age 65 with 5 years of service (yos) to age 60 with 5 years of service.
- **Early Retirement:** improve eligibility from age 55 with 5 years of service to age 50 with 5 years of service.

	VRS Plan 1/2: Medic, Fire Marshal	VRS Plan Enhanced Hazardous Duty Plan - No Supp. Deputy Sheriff	CURRENT: Supplemental Deputy Sheriff, Medic, Fire Marshal	PROPOSED: Supplemental Deputy Sheriff, Medic, Fire Marshal	Fire & Police Pension Plan
Normal Retirement	Age 65 & 5 yos	Age 60 & 5 yos	Age 65 & 5 yos; age 50 & 25 yos	Age 60 & 5 yos; age 50 & 25 yos	Age 55 & 5 yos; age 50 & 25 yos
Unreduced Retirement	Age 50 & 30 yos	Age 50 & 25 yos			25 yos
Early Retirement	Age 55 & 5 yos; age 50 & 10 yos	Age 50 & 5 yos	Age 55 & 5 yos	Age 50 & 5 yos	Age 50 & 20 yos

The actuary determined that the proposed changes would increase the annual contribution rate to the City's Supplemental Retirement Plan for deputy sheriffs, medics, and fire marshals by 17.15%. The annual recommended City contribution would increase by \$155,000 from \$904,000 to \$1,059,000 because of the proposed enhanced retirement eligibility.